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Macroeconomic policy questions: international trade and development

Morocco:* draft resolution

International trade and development

The General Assembly,

Recalling its resolutions 55/182 of 20 December 2000, 56/178 of 21 December 2001 and 57/235 of 20 December 2002 on international trade and development,

Recalling also the Plan of Action adopted at the tenth session of the United Nations Conference on Trade and Development, held in Bangkok from 12 to 19 February 2000,[1]

Reaffirming the role of the United Nations Conference on Trade and Development as focal point within the United Nations for the integrated treatment of trade and development and the interrelated issues in the areas of finance, technology, investment and sustainable development,

Recalling the provisions of the United Nations Millennium Declaration[2] pertaining to trade and related development issues, as well as the outcomes of the International Conference on Financing for Development, held in Monterrey, Mexico, from 18 to 22 March 2002,[3] and the World Summit on Sustainable Development, held in Johannesburg, South Africa, from 26 August to 4 September 2002,[4]

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* On behalf of the States Members of the United Nations that are members of the Group of 77 and China.

[1] TD/390, part II.

[2] See resolution 55/2.

[3] *Report of the International Conference on Financing for Development, Monterrey, Mexico, 18-22 March 2002* (United Nations publication, Sales No. E.02.II.A.7), chap. I, resolution 1, annex.

[4] *Report of the World Summit on Sustainable Development, Johannesburg, South Africa, 26 August-4 September 2002* (United Nations publication, Sales No. E.03.II.A.1 and corrigendum), chap. I, resolution 1, and resolution 2, annex.

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Recalling also its resolutions 57/250 of 20 December 2002 and 57/270 B of 23 June 2003, in which it invited the United Nations Conference on Trade and Development, as well as the Trade and Development Board, to contribute to the implementation and to review the progress made in the implementation of the outcomes of major United Nations conferences and summits and invited the President of the Trade and Development Board to present the outcomes of such reviews to the Economic and Social Council,

Recognizing that, to benefit fully from trade, which in many cases is the single most important external source of development financing, the establishment and enhancement of appropriate institutions and policies in developing countries, as well as in countries with economies in transition, are needed, and that, in this context, enhanced market access, balanced rules and well-targeted, sustainably financed technical assistance and capacity-building programmes for developing countries also play important roles,

Recognizing also that a fair and substantial share of the benefits from global economic prosperity and the multilateral trading system has not fully accrued to developing countries notwithstanding the fact that they have undertaken significant trade and investment liberalization unilaterally, regionally and multilaterally, both within and outside the context of structural adjustment programmes,

Recognizing further that the rights of countries over the use and management of their own genetic resources, as well as the protection of the associated traditional knowledge and practices of indigenous communities, must be protected and assured in order to stimulate social and economic development, in accordance with the Johannesburg Declaration on Sustainable Development[5] and the Plan of Implementation of the World Summit on Sustainable Development ("Johannesburg Plan of Implementation"),[6]

Taking note of concerns regarding the ramifications of certain security measures with respect to the freer flow of goods and peoples across borders, especially from developing countries,

Expressing its satisfaction with the in-depth review undertaken by the Trade and Development Board at its fiftieth session with respect to developments and issues in the post-Doha work programme of particular concern to developing countries, including the outcome of the Fifth Ministerial Conference of the World Trade Organization,[7] and stressing its important contribution to an understanding of the actions required to help developing countries secure beneficial and meaningful integration into the multilateral trading system,

Taking note of the report of the Trade and Development Board[8] and the report of the Secretary-General on international trade and development,[9]

Welcoming the proposals made by the developing countries that are members of the World Trade Organization for implementing the work programme of the World Trade Organization, including in the areas of special and differential

[5] Ibid., resolution 1, annex.
[6] Ibid., resolution 2, annex.
[7] See A/58/15 (Part V), sect. II.B.
[8] A/58/15 (Parts I to V).
[9] A/58/414.

treatment, implementation-related issues and concerns, agriculture and non-agricultural market access,

1. *Reaffirms* the great importance of the multilateral trading system in promoting the objective set out in the Millennium Declaration[2] of ensuring an open, equitable, rule-based, predictable and non-discriminatory multilateral trading system in pursuit of economic growth and development, fairness and a level playing field as well as human development and poverty eradication goals, and reiterates its commitment to achieving that goal;

2. *Reiterates* the commitment made at the Fourth Ministerial Conference of the World Trade Organization, held in Doha from 9 to 14 November 2001,[10] to place development at the heart of the Doha work programme and to continue to make positive efforts to ensure that developing countries, especially the least developed among them, secure a share in the growth of world trade commensurate with the needs of their economic development;

3. *Expresses concern* about the lack of progress in the Doha negotiations and the lack of any effective and meaningful response to the concerns and interests of developing countries, as manifested by missed deadlines, inadequate treatment of development issues, including special and differential treatment and implementation-related issues and concerns, and unfinished business and imbalances from the Uruguay Round of Multilateral Trade Negotiations, as well as the slow pace of agricultural reform in developed countries;

4. *Also expresses its concern* about the setback at the Fifth Ministerial Conference of the World Trade Organization and stresses the importance of redoubling efforts in working towards a successful, timely and development-oriented conclusion of the Doha negotiations no later than 1 January 2005 as set out in the Ministerial Declaration of the Fourth Ministerial Conference of the World Trade Organization ("Doha Ministerial Declaration");[10]

5. *Further expresses its concern* about the adverse consequences that the setback of the Fifth Ministerial Conference may have for the multilateral trading system, including a possible surge in protectionist measures;

6. *Emphasizes* that bilateral and regional trade arrangements should contribute to the multilateral trading system;

7. *Expresses its concern* about the adoption of a number of unilateral actions that are not consistent with the rules of the World Trade Organization, harm the exports of all countries, in particular those of developing countries, and have a considerable bearing on the ongoing World Trade Organization negotiations and on the achievement and further enhancement of the development dimension of the trade negotiations;

8. *Considers*, in this respect, that the political will and commitment of the major trading partners to address the key development issues promptly and fully and focus on the core trade issues are essential for bringing the negotiations back on track;

9. *Underscores* the need for concerted international political will and efforts in addressing the imbalances and inequalities in the process of globalization and in

[10] See A/C.2/56/7, annex.

trade negotiations by opening up developed country markets to the export products of particular interest to developing countries;

10. *Stresses* the importance of an open, transparent, inclusive and democratic process and of procedures that would allow for active participation by all members and enable them to have the vital interests of their peoples duly reflected in the outcome of trade negotiations;

11. *Also stresses* the need to place the interests and concerns of developing countries at the heart of the international trading system and to revive the faith of developing countries in the Doha work programme and, in this regard, calls upon all members of the World Trade Organization, particularly the developed countries, to engage in negotiations with a renewed sense of urgency and purpose and to redouble their efforts to achieve the following:

(a) The expeditious resolution of all the outstanding implementation issues, in accordance with paragraph 12 of the Doha Ministerial Declaration;

(b) A complete and irrevocable phase-out of all textile quotas by the end of 2004, in accordance with the Agreement on Textiles and Clothing, and a commitment not to replace them with other protectionist measures;

(c) The expeditious completion of the review of all provisions of special and differential treatment with a view to strengthening them and making them more precise, effective, operational and mandatory, especially in such agreements as the Anti-Dumping Code, the Agreement on Technical Barriers to Trade, the Agreement on the Application of Sanitary and Phytosanitary Measures, the Agreement on Subsidies and Countervailing Measures, the Agreement on Trade-related Aspects of Intellectual Property Rights and the Agreement on Trade-related Investment Measures, and the full reflection of special and differential treatment in new agreements;

(d) A substantial reduction in high tariffs, tariff peaks and tariff escalation, the elimination of all forms of export subsidies and trade-distorting domestic support in agriculture, and the expeditious adoption of appropriate modalities for reduction commitments in agriculture negotiations with effective special and differential treatment, in accordance with paragraphs 13 and 14 of the Doha Ministerial Declaration;

(e) The positive consideration of trade-related issues pertaining to the commodity sector in the multilateral trading system, taking account of the work of the United Nations Conference on Trade and Development in this area and the report of the Meeting of Eminent Persons on Commodity Issues,[11] prepared in accordance with General Assembly resolution 57/236 of 20 December 2002, and continued work on commodities by the United Nations Conference on Trade and Development;

(f) An effective solution to address the cotton initiative proposed by a group of African countries for the elimination of cotton subsidies, and compensation to affected low-income cotton-producing countries for losses incurred in terms of trade and export earnings;

[11] TD/B/50/11.

(g) Substantial progress on meaningful market access in the movement of natural persons (Mode 4) and in the areas of priority interest to developing countries in the services sector;

(h) Appropriate modalities for reduction or elimination commitments in negotiations on market access for non-agricultural products, as provided for in paragraph 16 of the Doha Ministerial Declaration, in particular on products of export interest to developing countries, and taking into account the special needs and interests of developing and least developed country participants, including through less than full reciprocity in reduction commitments;

(i) Agreement on measures to effectively address the concerns of developing countries in respect of the erosion of preferences and the impact of liberalization on their tariff revenues, including through compensatory mechanisms;

(j) The review and, if necessary, revision of the Agreement on Trade-related Aspects of Intellectual Property Rights and the Agreement on Trade-related Investment Measures to integrate the development concerns of developing countries;

(k) The elimination of the abusive application of anti-dumping, sanitary and phytosanitary standards and other trade-distorting measures against products originating in developing countries, especially products that constitute a major proportion of their exports, and clarification and improvement of disciplines in the areas of anti-dumping, subsidies and countervailing measures, taking into account the needs of developing countries, including the least developed among them, while preserving the basic concepts, principles and effectiveness of those agreements and their instruments and objectives;

(l) The promotion of specific development goals in the areas of trade, debt and finance, and trade and transfer of technology through the working groups of the World Trade Organization;

(m) Capacity-building in the developing countries through the establishment of a capacity-building fund in the United Nations Conference on Trade and Development;

(n) The evolution of a more transparent, inclusive and democratic decision-making process in the World Trade Organization;

12. *Reaffirms* that agriculture remains a fundamental and key sector for the overwhelming majority of developing countries and stresses that the successful conclusion of the Doha work programme depends largely on the success of agriculture negotiations;

13. *Also reaffirms* the need for the implementation of paragraph 4 of the Marrakesh Ministerial Decision on Measures Concerning the Possible Negative Effects of the Reform Programme on Least Developed and Net Food-importing Countries;[12]

14. *Welcomes* the decision adopted by the General Council of the World Trade Organization on the implementation of paragraph 6 of the Doha Declaration on the Agreement on Trade-related Aspects of Intellectual Property Rights and

[12] See *Legal Instruments Embodying the Results of the Uruguay Round of Multilateral Trade Negotiations, done at Marrakesh, on 15 April 1994* (GATT Secretariat publication, Sales No. GATT 1994-7).

Public Health[13] to address the problems faced by countries with insufficient or no manufacturing capacities in the pharmaceutical sector in accessing medicines at affordable prices when combating epidemics of mass gravity, including HIV/AIDS, tuberculosis and malaria, and invites all members to work towards an expeditious and permanent solution to the issue by, inter alia, amending the Agreement on Trade-related Aspects of Intellectual Property Rights to ensure that the solution will be simple to use, sustainable, predictable and legally secure;

15. *Stresses* the importance of clarifying and improving disciplines and procedures under the existing provisions of the World Trade Organization applying to regional trade agreements in accordance with paragraph 29 of the Doha Ministerial Declaration, taking into account the implications of these agreements for development, and urges the United Nations Conference on Trade and Development, in accordance with its mandates, to provide technical inputs in this respect;

16. *Reaffirms* the commitments made at the Fourth Ministerial Conference of the World Trade Organization and at the Third United Nations Conference on the Least Developed Countries, held at Brussels from 14 to 20 May 2001,[14] and calls upon developed countries to provide bound duty-free, quota-free market access for all exports originating in the least developed countries;

17. *Welcomes* the approval of the accession of Cambodia and Nepal to the World Trade Organization, stresses the importance of facilitating the accession of all developing countries, particularly the least developed countries, that apply for membership in the World Trade Organization, bearing in mind paragraph 21 of General Assembly resolution 55/182 and subsequent developments under the terms and conditions commensurate with their level of development, and calls for effective and faithful application of the aforementioned guidelines on accession of the least developed countries;

18. *Reaffirms* the commitment to actively pursue the work programme of the World Trade Organization with respect to addressing the trade-related issues and concerns affecting the fuller integration of small, vulnerable economies into the multilateral trading system in a manner commensurate with their special circumstances and in support of their efforts towards sustainable development, in accordance with paragraph 35 of the Doha Ministerial Declaration;

19. *Acknowledges* the seriousness of the concerns expressed in the Almaty Programme of Action adopted at the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation,[15] held in Almaty, Kazakhstan, on 28 and 29 August 2003, and stresses the need for the special problems and needs of landlocked developing countries, in particular those stipulated in paragraph 33 of the Almaty Programme of Action, to be effectively addressed by the relevant international organizations and donors within a multi-stakeholder approach;

20. *Notes* the health and environment-related measures that have an impact on exports, stresses that the adoption or enforcement of any measures necessary to protect human, animal or plant life or health should not be applied in a manner that

[13] WT/L/540. Available on the Internet at http://docsonline.wto.org.

[14] See A/CONF.191/11 and 12.

[15] A/CONF.202/3, annex I.

would constitute arbitrary or unjustified discrimination or a disguised restriction on international trade and, in this regard, stresses also the importance of providing capacity-building support for developing countries so as to enable them to put in place the appropriate measures necessary for meeting agreed international standards and for increasing their participation in the work of the relevant international standards-setting organizations;

21. *Invites* the United Nations Conference on Trade and Development to continue its work, within its mandate, on trade-related issues and policies, including the interaction between trade and competition policy, the relationship between trade and investment, and trade facilitation and, in this connection, urges countries and the United Nations system to support the budget and activities of the United Nations Conference on Trade and Development;

22. *Expresses its satisfaction* with the renewed and increased cooperation between the United Nations Conference on Trade and Development and the World Trade Organization as well as with the joint efforts to provide trade-related technical assistance and calls for a further strengthening of this cooperation;

23. *Urges*, in this regard, donors and other countries in a position to do so to continue to provide the United Nations Conference on Trade and Development with the resources necessary to deliver effective and demand-driven assistance to developing countries, especially the least developed countries, to countries with economies in transition and to small and vulnerable economies, as well as to continue and enhance their contributions to the trust funds of the Integrated Framework for Trade-related Technical Assistance to Least Developed Countries and the Joint Integrated Technical Assistance Programme and to the activities of the United Nations Conference on Trade and Development/World Trade Organization International Trade Centre;

24. *Stresses* the importance of continuing and enhancing the implementation of the United Nations Conference on Trade and Development Programme of Capacity-building and Technical Cooperation for Developing Countries, Especially the Least Developed Countries, and Economies in Transition, in Support of their Participation in the World Trade Organization Doha Work Programme,[16] in accordance with the Technical Cooperation Strategy for the United Nations Conference on Trade and Development adopted by the Trade and Development Board at its fiftieth session;[17]

25. *Expresses its appreciation* for the important work of the United Nations Conference on Trade and Development in enhancing understanding of the complex issues at the interface of trade and environment, from the development perspective, calls upon the United Nations Conference on Trade and Development to continue and strengthen this work, including its contribution to the Johannesburg Plan of Implementation and welcomes the cooperation on trade, environment and development issues among the secretariats of the United Nations Conference on Trade and Development, World Trade Organization, Food and Agriculture Organization of the United Nations and United Nations Environment Programme, in particular in the context of the capacity-building task force of the United Nations Environment Programme/United Nations Conference on Trade and Development on

[16] See UNCTAD/RMS/TCS/1.

[17] A/58/15 (Part V), chap. I, decision 478 (L), annex.

trade, environment and development, and other relevant international organizations and civil society, particularly in the field of technical cooperation and capacity-building;

26. *Encourages* the United Nations Conference on Trade and Development to continue its work on development benchmarks of the international trading system and trade negotiations in cooperation with other relevant international organizations and to report to the General Assembly regularly;

27. *Takes note* of the substantive item of the provisional agenda of the eleventh session of the United Nations Conference on Trade and Development,[18] to be held in São Paulo, Brazil, from 13 to 18 June 2004, entitled "Enhancing coherence between national development strategies and global economic processes towards economic growth and development, particularly of developing countries", as well as its sub-theme "Assuring development gains from the international trading system and trade negotiations", and in this context stresses the importance of strengthening the role and mandate of the United Nations Conference on Trade and Development on trade and development;

28. *Requests* the Secretary-General of the United Nations, in collaboration with the secretariat of the United Nations Conference on Trade and Development, to report to the General Assembly at its fifty-ninth session on the implementation of the present resolution and on developments in the multilateral trading system, under the sub-item entitled "International trade and development".

[18] A/58/15 (Part V), annex II.